

IBERVILLE PARISH CLERK OF COURT

FINANCIAL REPORT

JUNE 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/14/09

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The Honorable J.G. "Bubbie" Dupont, Jr.
Iberville Parish Clerk of Court
Plaquemine, Louisiana

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish Clerk of Court as of and for the year ended June 30, 2008, which collectively comprise the basic financial statements of the Clerk of Court as listed in the table of contents. These financial statements are the responsibility of the Clerk of Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the Iberville Parish Clerk of Court as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2008 on our consideration of Iberville Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

INDEPENDENT AUDITORS' REPORT (continued)

The required supplementary information on pages 24 through 25 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The Iberville Parish Clerk of Court has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Iberville Parish Clerk of Court's basic financial statements. The other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Iberville Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Baxley & Associates, LLC

Plaquemine, Louisiana
December 10, 2008

BASIC FINANCIAL STATEMENTS

EXHIBIT A

IBERVILLE PARISH CLERK OF COURT
STATEMENT OF NET ASSETS
JUNE 30, 2008

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 227,383
Investments	240,152
Account receivable	43,499
Due from other funds	36,270
Capital assets (net of accumulated depreciation):	
Furniture and fixtures	<u>60,151</u>
TOTAL ASSETS	<u>\$ 607,455</u>
 LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 16,787
Compensated absences	<u>27,224</u>
Total liabilities	<u>44,011</u>
 Net Assets	
Invested in capital assets, net of related debt	60,151
Unrestricted	<u>503,293</u>
TOTAL NET ASSETS	<u>\$ 563,444</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B**IBERVILLE PARISH CLERK OF COURT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008****EXPENDITURES/EXPENSES**

General Government:

Administration	\$ 938,036
Operating services	240,313
Travel	13,317
Materials and supplies	108,563
Depreciation	<u>20,418</u>

TOTAL EXPENDITURES/EXPENSES **1,320,647**

PROGRAM REVENUES

Licenses and permits	5,638
Fees, charges and commissions for services:	
Court costs, fees, and charges	666,408
Fees for recording documents	336,275
Fees for certified copies of documents	96,344
Miscellaneous services	90,024
Miscellaneous	<u>33,965</u>

TOTAL PROGRAM REVENUE **1,228,654**

GENERAL REVENUE

Investment earnings	<u>7,109</u>
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TOTAL GENERAL REVENUES **7,109**

CHANGE IN NET ASSETS **(84,884)**

NET ASSETS

Beginning of the year	<u>648,328</u>
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End of the year **\$ 563,444**

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH CLERK OF COURT
COMBINED BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 227,383
Investments at cost	240,152
Accounts receivable	43,499
Due from other funds	<u>36,270</u>
TOTAL ASSETS	<u>\$ 547,304</u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	<u>\$ 16,787</u>
Total Liabilities	<u>16,787</u>
 Fund Balance	 530,517

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets:

Cost of capital assets at June 30, 2008 less accumulated depreciation	60,151
Compensated absences payable at June 30, 2008	<u>(27,224)</u>
 Net assets of governmental activities	 <u>\$ 563,444</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT D

**IBERVILLE PARISH CLERK OF COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE-GENERAL FUND (SALARY)
FOR THE YEAR ENDED JUNE 30, 2008**

REVENUES

Licenses and permits	\$ 5,638
Fees, charges and commissions for services:	
Court costs, fees, and charges	666,408
Fees for recording documents	336,275
Fees for certified copies of documents	96,344
Miscellaneous services	90,024
Use of money and property - Interest earnings	7,109
Miscellaneous	33,965
TOTAL REVENUES	<u>1,235,763</u>

EXPENDITURES

General Government:	
Personal services and related benefits	936,566
Operating services	240,313
Materials and supplies	108,563
Travel and other charges	13,317
Capital outlay	12,871
TOTAL EXPENDITURES	<u>1,311,630</u>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(75,867)</u>
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FUND BALANCE AT BEGINNING OF YEAR	<u>606,384</u>
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FUND BALANCE AT END OF YEAR	<u>\$ 530,517</u>
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The accompanying notes are an integral part of this statement.

**IBERVILLE PARISH CLERK OF COURT
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

**Amounts reported for governmental activities are
different because:**

Net Change in fund balances - total governmental funds (page 7)	\$ (75,867)
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The liability and expense for compensated absences are not reported in funds. <i>Payments for compensated absences are reported as salaries when they occur.</i>	(1,470)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	<u>(7,547)</u>
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Change in net assets of governmental activities (page 5)	<u>\$ (84,884)</u>
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The accompanying notes are an integral part of this statement.

IBERVILLE PARISH CLERK OF COURT
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
JUNE 30, 2008

	Advance Deposit Fund	Registry of Court Fund	Civil Jury Fund	Total
ASSETS				
Cash	\$ 332,078	\$ 288,428	\$ 100	\$ 620,606
Investments	1,752,503	-	-	1,752,503
Due from others	26,091	-	-	26,091
TOTAL ASSETS	<u>\$ 2,110,672</u>	<u>\$ 288,428</u>	<u>\$ 100</u>	<u>\$ 2,399,200</u>
LIABILITIES AND FUND BALANCES				
Unsettled deposits	\$ 2,110,672	\$ 288,428	\$ 100	\$ 2,399,200
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,110,672</u>	<u>\$ 288,428</u>	<u>\$ 100</u>	<u>\$ 2,399,200</u>

The accompanying notes are an integral part of this statement.

**IBERVILLE PARISH CLERK OF COURT
PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages, and other acts, and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying financial statements of the Iberville Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In June of 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

Financial statements prepared using the full accrual accounting for all of the Clerk’s activities.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements).

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Clerk of Court includes all funds, account groups, activities, etc., that are controlled by the Clerk of Court as an independently elected parish official. As an independently elected parish official, the Clerk of Court is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Clerk's office that are paid or provided by the Iberville Parish Council as required by Louisiana law, the Clerk of Court is financially independent. Accordingly, the Clerk of Court is a separate governmental reporting entity. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the Parish Council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Iberville Parish Clerk of Court.

3. Basic Financial Statements – Government-Wide Statements

The Clerk of Court's basic financial statements include both government-wide (reporting on the Clerk of Court as a whole) and fund financial statements (reporting the Clerk's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. All activities of the Clerk are classified as governmental.

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Clerk, except fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognized all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gain, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gain, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the Statement of Activities are derived directly from parties outside the Clerk’s taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the Clerk’s general revenues.

Allocation of Indirect Expenses – The Clerk reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

4. Basic Financial Statements - Fund Financial Statements

The Clerk of Court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds of the Clerk of Court are classified into two categories: *governmental (General Fund)* and *fiduciary (agency funds)*. These funds are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and accounts for the operations of the Clerk’s office. The various fees and charges due to the Clerk’s office are accounted for in this fund. General operating expenditures are paid from this fund.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Agency Funds

The Advance Deposit and Registry of Court Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

5. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources and uses of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

Recordings, cancellations, court attendance, criminal costs, etc., are recorded in the year they are earned.

Interest income on certificates is recorded when the certificates have matured and the income is available.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

6. Budget Practices

The proposed original budget for the 2008 fiscal year was made available for public inspection at the Clerk's office on June 7, 2007. The budget hearing for the original budget was held at the Iberville Parish Courthouse on June 19, 2007. The amended budget was available for public inspection on April 24, 2008.

The proposed budgets, prepared on the accrual basis of accounting, were published in the official journal at least ten days prior to the public hearing. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

7. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under state law, the Clerk of Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

8. Inventory

The Iberville Parish Clerk of Court does not have an inventory.

9. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. The Clerk maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furnitures and fixtures	5-10 years
Machinery and equipment	3-10 years
Building improvements	20-40 years

10. Compensated Absences

The Clerk of Court has the following policy relating to vacation and sick leave:

- a. After one year of employment, employees earn one week vacation.
- b. After two years of employment, employees earn two weeks vacation.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- c. All employees are given eight authorized time off days per year for sickness, funeral, etc.
- d. Beginning January 1, 2005, a maximum of 3 days and a minimum of 1 day can be carried over and paid to the employee in January following the year it was earned. If an employee is terminated or quits during the year, the employee will be paid for all unused vacation and sick leave.

11. Fund Equity

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

NOTE B - CASH AND CASH EQUIVALENTS

At June 30, 2008, the Clerk of Court has cash and cash equivalents (book balances) totaling \$847,989 as follows:

Non-interest bearing demand deposits	\$ 627
Interest bearing demand deposits	<u>847,362</u>
TOTAL	<u>\$ 847,989</u>

The deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2008, the Clerk had \$964,620 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$1,593,767 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE B - CASH AND CASH EQUIVALENTS, (CONTINUED)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - INVESTMENTS

Certificates of Deposit

At June 30, 2008, the Clerk held certificates of deposit, with an original maturity greater than 90 days, totaling \$1,165,152. These investments are stated on the balance sheet (carrying value) at cost, which approximates market value. The investments are secured from risk by \$500,000 of federal deposit insurance and \$1,147,624 of pledged securities held by the custodial bank in the name of the fiscal agent bank. In applying the credit risk of GASB Codification Section 150.164, \$500,000 of the investments are considered insured and registered, category (1), and \$790,152 of the investments are considered uninsured and unregistered, category (3).

Even though the pledged securities are considered uninsured and unregistered (Category 3) under the provisions of GASB codification Section 150.164, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

Louisiana Asset Management Pool, Inc.

Investments held at June 30, 2008 consist of \$100,186 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2008 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE C – INVESTMENTS (CONTINUED)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA. R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(b) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in investment grade (A-1/P-1) commercial paper of domestic United States corporations. Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Edward D. Jones

The Clerk had investments totaling \$727,317 at June 30, 2008 in Edward D. Jones.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RECEIVABLES

The receivables at June 30, 2008 are as follows:

Various accounts	\$	18,204
State of Louisiana		7,248
Iberville Parish Council		<u>18,047</u>

TOTAL \$ 43,499

NOTE E – CHANGES IN CAPITAL ASSETS

	Balance 6/30/2007	Additions	Deletions	Balance 6/30/2008
Furniture and fixtures	\$ 52,899	\$ -	\$ -	\$ 52,899
Machinery and equipment	99,339	12,871	-	112,210
Building improvements	<u>4,700</u>	<u>-</u>	<u>-</u>	<u>4,700</u>
	156,938	12,871	-	169,809
Accumulated depreciation	<u>(89,240)</u>	<u>(20,418)</u>	<u>-</u>	<u>(109,658)</u>
Capital Assets, net	<u>\$ 67,698</u>			<u>\$ 60,151</u>

NOTE F - PENSION PLAN

Plan Description. Substantially all employees of the Iberville Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE F - PENSION PLAN, (CONTINUED)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerk of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Iberville Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Iberville Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Iberville Parish Clerk of Court's contributions to the System for the years ending June 30, 2008, 2007 and 2006 were \$81,061, \$98,084 and \$92,686, respectively, equal to the required contributions for each year.

Effective July 1, 1999, R.S. 11:1562(C) allows the Clerk to pay all or any portion of the 8.25 percent employee contribution. The Iberville Parish Clerk of Court has elected to pay all of the employee contributions. The Clerk's elective contributions to the Plan for the years ending June 30, 2007, 2006 and 2005 were \$40,691, \$36,446 and \$38,766, respectively.

NOTE G - DEFERRED COMPENSATION PLAN

Plan Description. All full time employees of the Iberville Parish Clerk of court are eligible to participate in the Louisiana Public Employees Deferred Compensation Plan, a salary deferral plan established pursuant to Internal Revenue Code 457 and R.S. 42:1301-1308 and administered by the Louisiana Deferred Compensation Commission.

Funding Policy. Plan members may elect to defer an amount equal to the lesser of \$8,000 or 33 1/3% of includable compensation. Additionally, the Clerk has elected to match 100% of employee contributions to the plan. The Clerk's elective contributions to the Plan for the year ended June 30, 2008, 2007 and 2006 were \$47,302, \$44,531 and \$49,464 respectively.

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE H - OTHER POST-EMPLOYMENT BENEFITS

The Iberville Parish Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Clerk's employees become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the Clerk of Court. The Clerk of Court recognizes the cost of providing these benefits (the Clerk's portion of premiums) as an expenditure when the monthly premiums are due. For the year ended June 30, 2008, the Clerk provided these benefits to two retirees for a total of \$5,614.

NOTE I - CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	<u>Unsettled Deposits Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>Unsettled Deposits Ending</u>
Agency Funds:				
Year ended June 30, 2008				
Advance Deposit	\$ 2,063,653	\$ 894,270	\$ 847,251	\$ 2,110,672
Registry of Court	381,814	725,027	818,413	288,428
Civil Jury	-	100	-	100
TOTAL	<u>\$ 2,445,467</u>	<u>\$ 1,619,297</u>	<u>\$ 1,665,664</u>	<u>\$ 2,399,200</u>

NOTE J - EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires that every four years (at the close of the term of office), the Clerk of Court must pay the parish treasurer the portion of the General Fund balance that exceeds one-half the revenues of the Clerk's last year of his term of office. At June 30, 2008, there was no amount due the parish treasurer.

General Fund Balance, 6/30/08, prior to calculation of distribution to Iberville Parish Council	\$ 530,517
Maximum all fund balance:	
Revenues for the year ended 6/30/08	1,235,763
One half of revenues	<u>0.50</u> 617,882
No excess fund balance due to Iberville Parish Council	<u>\$ (87,365)</u>

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

**NOTE K - EXPENDITURES OF THE CLERK OF COURT PAID BY THE IBERVILLE
PARISH COUNCIL**

Certain operating expenditures of the Clerk's office are paid by the Parish Council and are not included in the accompanying financial statements. These expenditures for the year ended June 30, 2008 are summarized as follows:

	<u>2008</u>
Equipment rentals	\$ 8,457
Capital outlay	186,862
Maintenance contracts	2,400
Office supplies	36,597
Telephone	440
Advertising	5,072
Court attendance	<u>1,460</u>
TOTAL	<u>\$ 241,288</u>

NOTE L - LEASES

The clerk of court is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations; therefore, the results of the lease agreements are not reflected in the clerk's account groups.

The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2008:

<u>Year Ending June 30</u>	<u>Amounts</u>
2009	37,919
2010	14,734
2011	10,611
2012	<u>-</u>
Total Minimum Payments Required	<u>\$ 63,264</u>

**IBERVILLE PARISH CLERK OF COURT
NOTES TO FINANCIAL STATEMENTS**

NOTE M: LITIGATION

There is one pending lawsuit which is currently undeterminable:

Della Gastzke, et al versus The Louisiana Clerk of Court Association and J.G. "Bubbie" Dupont, Jr., et al, United States District Court, Middle District of Louisiana, Case #05-1112-JJB-SCR

This is an action challenging the fact that clerk of courts across the state do not charge a uniform price for the same services.

NOTE N: RECENT ACCOUNTING PRONOUNCEMENTS

The GASB has issue Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. This statement will require the Clerk to record a liability on the statement of net assets for future health benefits to be paid to retirees. In measuring this liability, the Clerk will need to engage an actuarial firm to evaluate its post-retirement benefits. The requirements of the statement are effective for the City for the fiscal year ending June 30, 2010.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT G

**IBERVILLE PARISH CLERK OF COURT
PLAQUEMINE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Licenses and permits	\$ 5,200	\$ 4,500	\$ 5,638	\$ 1,138
Fees, charges and commissions for services:				
Court costs, fees, and charges	612,200	612,200	666,408	54,208
Fees for recording documents	334,700	313,600	336,275	22,675
Fees for certified copies of documents	118,000	119,500	96,344	(23,156)
Miscellaneous services	57,250	73,250	90,024	16,774
Use of money and property - Interest earnings	1,400	1,800	7,109	5,309
Miscellaneous	30,500	30,500	33,965	3,465
TOTAL REVENUES	<u>1,159,250</u>	<u>1,155,350</u>	<u>1,235,763</u>	<u>80,413</u>
EXPENDITURES				
General Government:				
Personal services and related benefits	819,550	922,900	936,566	(13,666)
Operating services	179,500	182,400	240,313	(57,913)
Materials and supplies	101,000	135,000	108,563	26,437
Travel and other charges	24,255	23,900	13,317	10,583
Capital outlay	5,000	1,000	12,871	(11,871)
TOTAL EXPENDITURES	<u>1,129,305</u>	<u>1,265,200</u>	<u>1,311,630</u>	<u>(46,430)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	29,945	(109,850)	(75,867)	33,983
FUND BALANCE, BEGINNING OF YEAR	<u>531,288</u>	<u>531,288</u>	<u>606,384</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 561,233</u>	<u>\$ 421,438</u>	<u>\$ 530,517</u>	<u>\$ 33,983</u>

SUPPLEMENTARY INFORMATION

AGENCY FUNDS

Advance Deposit Fund

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to litigants after all costs have been paid.

Registry of Court Fund

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgment had been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

Civil Jury Fund

Act 632 of the State Legislature for the year 197, authorized payment to jurors who report for jury duty. This account was set up to pay jurors who report for Civil Jury. The monies are collected from the Advanced Deposit Fund.

**IBERVILLE PARISH CLERK OF COURT
FIDUCIARY FUND TYPE-AGENCY FUNDS
SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS
YEAR ENDED JUNE 30, 2008**

	Advance Deposit Fund	Registry of Court Fund	Civil Jury Fund	Total (Memorandum Only)
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	<u>\$ 2,063,653</u>	<u>\$ 381,814</u>	<u>\$ -</u>	<u>\$ 2,445,467</u>
ADDITIONS				
Deposits:				
Suits and successions	886,687	-	-	886,687
Judgments	-	722,578	-	722,578
Miscellaneous	-	-	100	100
Interest earned	<u>7,583</u>	<u>2,449</u>	<u>-</u>	<u>10,032</u>
TOTAL ADDITIONS	<u>894,270</u>	<u>725,027</u>	<u>100</u>	<u>1,619,397</u>
TOTAL	<u>2,957,923</u>	<u>1,106,841</u>	<u>100</u>	<u>4,064,864</u>
REDUCTIONS				
Clerk's costs (transferred to General Fund)	524,491	-	-	524,491
Settlements to litigants	-	818,413	-	818,413
Attorney, curators and notarial fees	-	-	-	-
Interest to litigants	-	-	-	-
Sheriff's fees	43,771	-	-	43,771
Other reductions	<u>278,989</u>	<u>-</u>	<u>-</u>	<u>278,989</u>
TOTAL REDUCTIONS	<u>847,251</u>	<u>818,413</u>	<u>-</u>	<u>1,665,664</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u>\$ 2,110,672</u>	<u>\$ 288,428</u>	<u>\$ 100</u>	<u>\$ 2,399,200</u>

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SCHEDULE 2

The Honorable J.G. "Bubbie" Dupont, Jr.
Iberville Parish Clerk of Court
Plaquemine, Louisiana

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish Clerk of Court as of and for the year ended June 30, 2008, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated December 10, 2008. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Iberville Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clerk's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clerk's financial statements that is more than inconsequential will not be presented or detected by the Clerk's internal control.

SCHEDULE 2
(continued)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Clerk's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2008-1.

The Iberville Parish Clerk of Court's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Iberville Parish Clerk of Court's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Legislative Auditors, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Baxley & Associates, LLC

Plaquemine, Louisiana
December 10, 2008

**IBERVILLE PARISH CLERK OF COURT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

A. SUMMARY OF AUDITOR'S RESULTS*Financial Statements*

Type of auditor's report issued: *unqualified*

Internal control over financial reporting:

- Material weaknesses identified? _____ yes X no
- Significant deficiencies identified that are
not considered to be material weaknesses? X yes _____ no
- Noncompliance material to financial statements
noted? _____ yes X no

2008-1 RECONCILIATION OF DOCKET BALANCES TO CASHCondition:

A reconciliation of the individual docket balances to the cash balance of the Advance Deposit Fund has not been prepared. This is a repeat finding.

Criteria

The clerk, in his fiduciary capacity, accepts funds on behalf of the court in connection with varied legal actions. These monies are held within the Advance Deposit Fund until there is some court or other action making it appropriate for the clerk to disburse the funds. The clerk, in his agency capacity, has a responsibility to reconcile and identify individual balances within the fund to the cash balance.

Effect

The lack of this reconciliation increases the risk that individual balances may be misstated and that the transactions that are based on the individual balances could be in error.

Recommendation

The clerk should reconcile the individual docket balances with the cash balance of the Advance Deposit Fund on a monthly basis to ensure the individual balances are accurate.

Management's Response

The unreconciled differences in the docket balances are largely due to pauper suits. The Clerk is in the process of closing old suit files and reconciling docket balances going back 5 years. A reserve will be left in the fund as a backup for unexpected payments on pauper and old suits.

SCHEDULE 4

**IBERVILLE PARISH CLERK OF COURT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

2007-1 BUDGET

Condition:

The total actual expenditures in the general fund exceeded the total budgeted expenditures by more than 5%.

Recommendation

Continuous efforts made by management should be made to monitor revenue and expenditures in relation to the budget. Amendments should be made as they become necessary.

Current Status

The above condition has been corrected in the current year.

2007-2 RECONCILIATION OF DOCKET BALANCES TO CASH

Condition:

A reconciliation of the individual docket balances to the cash balance of the Advance Deposit Fund has not been prepared.

Recommendation:

The clerk should reconcile the individual docket balances with the cash balance of the Advance Deposit Fund on a monthly basis to ensure the individual balances are accurate.

Current Status:

The clerk is in the process of closing old suits and reconciling docket balances going back 5 years. They hope to complete this process by June 30, 2009.